

Docket No: 3350-031B
File No: 1158.41324CC2
Patent Ref: BillPayB

PATENT



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

AP 93624
H3)

The Application of

Kight et al.

Serial No. 09/250,711

Filed: February 16, 1999

: Customer No. 20457

: Group Art Unit: 3624

: Examiner: James S. Bergin

:

For: SYSTEM AND METHOD FOR ELECTRONICALLY PROVIDING CUSTOMER
SERVICES INCLUDING PAYMENT OF BILLS, FINANCIAL ANALYSIS AND
LOANS

9/8/03

SUPPLEMENTAL APPEAL BRIEF SUBMITTAL

Honorable Assistant Commissioner
for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Date: August 22, 2003

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GROUP 3600

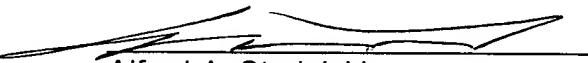
Sir:

A Supplemental Appeal Brief is submitted herewith in triplicate, further to the Appeal Brief filed on March 7, 2003, in view of the Official Action dated May 23, 2003 and the Request for Reinstatement of the Appeal filed concurrently herewith.

The Commissioner is hereby authorized to charge any additional fees associated with this communication or credit any overpayment, to Deposit Account No. 01-2135, including any patent application processing fees under 37 CFR 1.17.

Respectfully Submitted,

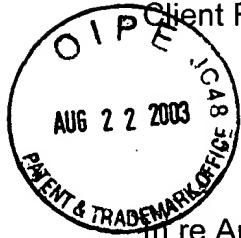
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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
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Re Application of : Customer No.: 20457
Kight et al. : Group Art Unit: 3624
Serial No. 09/250,711 : Examiner: James S. Bergin
Filed: February 16, 1999 :

For: SYSTEM AND METHOD FOR ELECTRONICALLY PROVIDING CUSTOMER SERVICES INCLUDING PAYMENT OF BILLS, FINANCIAL ANALYSIS AND LOANS

SUPPLEMENTAL APPEAL BRIEF

Honorable Assistant Commissioner
for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Date: August 22, 2003

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Sir:

This Supplemental Appeal Brief is submitted further to the Appeal Brief filed on March 7, 2003 and in view of the Official Action issued May 23, 2003 and the Request for Reinstatement of the Appeal filed concurrently herewith. The Supplemental Appeal Brief addresses new issues raised in the May 23, 2003 Official Action, and also corrects inadvertent errors noted in the review of, and expands on certain arguments presented in, the originally filed Appeal Brief.

I. REAL PARTY IN INTEREST

CheckFree Corporation is the real party in interest.

II. RELATED APPEALS AND INTERFERENCES

Application Serial Number 09/541,362 [Attorney Docket 3350-031D], filed February 16, 1999 and entitled "Bill Payment System and Method Utilizing a Draft",

Application Serial Number 09/540,011 [Attorney Docket 3350-031F], filed March 31, 2000 and entitled "Bill Payment System and Method With a Master Merchant Database", and Application Serial Number 09/542,109 [Attorney Docket 3350-031G], filed March 31, 2000 and entitled "Bill Payment System and Method Utilizing Bank Routing Numbers", all of which have parentage similar to that of the present application, are currently subject to appeal.

III. STATUS OF CLAIMS

Claims 1, 4, 5, 21, 25, 34, 35, 39, 40, 44, 45, 49, 50, 54, 56, 59 and 60 are pending. Claims 59-60 have been restricted and withdrawn by the Examiner. Each of claims 1, 4, 5, 21, 25, 34, 35, 39, 40, 44, 45, 49, 50, 54, and 56 is under appeal.

IV. STATUS OF AMENDMENTS

Amendments have been filed on March 21, 2000, September 7, 2000, November 7, 2000, May 30, 2001, and November 30, 2001. The amendments have been entered.

V. SUMMARY OF INVENTION

As shown in Figures 2-6, and described in the related disclosure on page 7, line 5, through page 16, line 4, a computerized method of directing payment of bills, includes receiving, via a network, a plurality of instructions (36- Figure 2) to pay a plurality of bills of a merchant on behalf of a plurality of consumers. Each instruction has an associated amount (see page 7, lines 5-6). The received instructions are processed to generate a plurality of debit directives (47,72-Figure 4C). Each debit directive directs the debiting, by an ACH transfer (47,72-Figure 4C, page 12, lines 17-18, and page 14, lines 9-11), of a respective one of the associated amounts from a respective one of a plurality of deposit accounts. Each of the deposit accounts is associated with a respective one of the consumers. The received instructions are also processed to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment (78-Figure 4C, and page 12, lines 2-5) from a first account associated with a service provider.

A transfer of funds from each of the plurality of consumer deposit accounts to a second account associated with the service provider is initiated based upon the plurality of debit directives (47,72-Figure 4C, and page 14, lines 9-11). The single consolidated payment is made to the merchant based upon the payment directive, prior to completion of a transfer of funds from at least one of the plurality of consumer deposit accounts to the second service provider account (78-Figure 4C, and page 12, lines 2-5).

The single consolidated payment from the first service provider account may be made by check (78-Figure 4C) or by an electronic funds transfer, such as an ACH transfer (74 and 47-Figures 4C, 5 and 6, and page 9, lines 14-19). Inherently, the first and the second service provider accounts may be the same account (e.g. the described service provider payment and clearing accounts could be the same). Preferably, the payment instructions are generated by general-purpose network devices operating as such (35 and 37-Figures 5 and 6).

VI. ISSUES

Weather claims 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 fail to comply with the written description requirement under 35 USC §112, first paragraph; whether claims 44 and 54 are indefinite, under 35 USC §112, second paragraph; and weather claims 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 are obvious, under 35 USC §103(a), over Lawlor et al. (U.S. Patent 5,220,501), in view of Benton et al. (U.S. Patent 5,265,008).

VII. BRIEF DESCRIPTION OF THE REFERENCES

LAWLOR

According to Lawlor, home banking systems using PC's operating special purpose software have been unsuccessful for various reasons (see column 1, line 20, through column 2, line 68). Lawlor discloses that it had been previously proposed to provide bill paying services using the ATM and ATM/POS networks (see column 5, lines 8-19), but that a practical architecture for providing comprehensive banking services, including

paying bills to user selected payees, from one's home or office over standard telephone lines has yet to be proposed (see column 6, lines 31-36). It should be noted that ATM and ATM/POS networks will sometimes be referred to as ATM type networks herein.

Lawlor proposes to solve this problem by a new use of the existing ATM type networks to provide transactions not previously supported by such networks, e.g. home initiated bill payment transactions (see column 7, lines 37-48). Hence, it is an express objective Lawlor to use the existing ATM type networks to effectuate bill payment from one's home or office.

According to Lawlor, consumer directed financial transactions are executed by a central computer in direct communication with the consumer's bank via an ATM type network (see column 11, lines 25-31). The central computer accesses and debits the consumer's account for the amount of a bill-pay request via the ATM type network. This accessing and debiting is done in real-time (see column 22, lines 32-37 and column 49, lines 18-46). This accessing and debiting is identical to that performed via any conventional ATM or ATM/POS network, using a conventional ATM machine or ATM/POS device. Thus, from a consumer bank's perspective, the central computer looks and behaves like any node on an ATM type network (see column 18, lines 35-38, column 33, lines 23-55, and column 42, lines 18-23). Lawlor thereby meets the objective of capitalizing on the widespread familiarity with the ATM type network and avoiding training etc., which Lawlor viewed as otherwise necessary if ATM type networks were not utilized (see column 6, lines 45-55).

Lawlor discloses a system which is specifically designed to use existing ATM type networks to effectuate bill payment, see column 6, lines 65-68. Consumer directed financial transactions are executed by a central computer in direct communication with the consumer's bank via an ATM type network, see column 11, lines 25-31. The central computer accesses and debits the consumer's account for the amount of a bill-pay request via the ATM type network. This accessing and debiting is done in real-time, see column 22, lines 32-37, and column 49, lines 18-46, and is the same accessing and debiting performed via any ATM type network.

After debiting funds from a consumer's account, a payment is made to a

merchant. The funds debited from the consumer's account by the central computer are credited to a deposit account belonging to the service provider controlling the central computer. This service provider then pays the specified merchant by one of a check or electronic funds transfer from funds of the service provider, column 49, lines 24-25. Payment to the merchant is always performed subsequent to debiting funds from the consumer. Lawlor suggests that payments to a single merchant on behalf of many consumers may be made by a single payment. However, no detail is disclosed on how to accomplish this aggregated payment, column 33, lines 63-64.

As disclosed in column 42, line 60, to column 43, line 68, a payer selects a payee to whom payment is to be made and a determination is then made as to whether or not the payer has previously made a payment to that payee. According to column 49, lines 17-40, the processing performed, after a payer requests that a payment be made, includes the debiting of a payer's deposit account via an ATM or ATM/POS network in favor of a holding account associated with the service provider (see lines 17-25). Thereafter, a credit, either in the form of a check or an ACH transfer, is instituted to pay the payee (see lines 36-40). This credit is drawn on an account associated with the service provider, not on the payer's deposit account.

However, as disclosed, the payer's account could, if desired, be debited in favor of an account associated with the payee. That is, the funds debited from a payer's account via an ATM type network, could be immediately credited to an account associated with the payee via the ATM type network, thereby eliminating the need for any intermediate account. However, if ATM debiting and crediting is utilized, a consolidated payment cannot be made, since consolidated payments require an intermediate account.

In summary, Lawlor discloses that a need existed for a practical architecture for providing comprehensive banking services, including paying bills to user selected payees, from one's home or office over standard telephone lines (see column 6, lines 31-36). According to Lawlor, home banking systems using standard PC's operating special purpose software have been unsuccessful for various reasons. Lawlor goes to great lengths to describe why existing systems, which do not utilize the existing ATM or

ATM/POS networks, were unsuccessful (see column 1, line 20, through column 2, line 68, and column 6, lines 31-36).

In Lawlor's view, the need for a practical architecture can be met by capitalizing on the widespread familiarity with ATM and ATM/POS networks, and thereby avoiding training etc. which Lawlor viewed as otherwise necessary if ATM or ATM/POS networks were not utilized (see column 6, lines 45-55). Therefore, Lawlor has the explicit objective of providing bill paying services using the existing ATM and ATM/POS networks (see column 5, lines 8-19).

Lawlor proposes to meet this objective by disclosing a new use for the existing ATM and ATM/POS networks to provide transactions not previously supported by such networks, e.g. home initiated bill payment transactions and particularly the debiting of the payer's account in connection therewith (see column 7, lines 37-48).

BENTON

Benton, in column 5, lines 16-25, describes electronic funds transfers effectuated utilizing facsimile machines. A payer faxes a payment request to a processor at a central location. The processor processes the facsimile transmission to encode the payment request into the proper protocol for processing by the ACH network. The central computer then transmits the payment request on the ACH network.

VIII. THE REJECTION

Claims, 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 stand rejected under 35 USC §112, first paragraph, as failing to comply with the written description requirement. The Examiner states that "[t]he limitations in independent claims 1, 21 and 25, which describe paying the single consolidated payment to the merchant based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts to the second account is not disclosed in the specification or the originally filed claims of this application." The Examiner also states that "there is no disclosure ... for a consolidated payment limitations of claims 1, 21 and 25 which describe in a consolidated payment method or system, each debit directive for debiting a

respective one of the associated amounts from a respective one of the plurality of deposit accounts, each respective deposit account associated with a respective one of the plurality of consumers, by an ACH transfer... Page 12 of the specification describes that a consolidated check may be written but not the details of the consolidated payment method and system that appear in the independent claims."

Claims 44 and 54 stand rejected under 35 USC §112, second paragraph, as indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The Examiner states "it is unclear how the first and second accounts entities can be the same deposit account entity".

Claims, 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 stand rejected under 35 USC §103(a) as obvious over Lawlor et al. (U.S. Patent No. 5,220,501) in view of Benton et al. (U.S. Patent No. 5,265,008). The Examiner contends that Lawlor teaches all features and limitations of the claims other than the generation of a directive to debit each consumer account via an ACH network. The Examiner proposes to modify Lawlor's teaching of the generation of a directive to debit each consumer account via an ATM network to provide ACH debiting based on the teachings of Benton, which is applied only to show evidence of the ubiquitously well-known nature of ACH and ATM methods of electronic funds transfer.

In paragraph 9 of the Official Action dated May 23, 2003, the Examiner responds to the previously submitted traversal arguments (presumably including those set forth in the Appeal Brief filed on March 7, 2003), by asserting that the arguments "have been fully considered but they are not persuasive. The 35 USC 103(a) rejection of the claims as being unpatentable over Lawlor et al. (5,220,501) in view of Benton et al. (5,265,008) is still believed to be proper. The applicant is reminded that Benton et al. is being applied only to show evidence of the ubiquitously well-known nature of ACH and ATM methods of electronic funds transfer to one of ordinary skill in the art at the time that the invention was made. Lawlor is not being modified by the specific ACH debiting of Benton et al. but by the ubiquitously well-known ACH method of funds transfer as disclosed in Benton. Any further response to the arguments will be forthcoming when the 112 1st paragraph issues outlined above have been resolved."

IX. GROUPING OF CLAIMS

Appealed claims 1, 21, and 25 are independent. Claims 4-5, 34-35 and 40 depend from claim 1. Claims 39 and 44-45 depend from claim 21. Claims 49-50, 54 and 56 depend from claim 25. However, the claims do not stand or fall together. Each of claims 1, 21, 25, 35, 45 and 56 recites features that form an independent basis for allowance. Hence, claims 1, 4-5, 34 and 40 stand and fall together; claims 21, 39 and 44 stand and fall together; claims 25, 49-50 and 54 stand and fall together; claim 35 stands and falls alone; claim 45 stands and falls alone; and claim 56 stands and falls alone.

X. ARGUMENT

Appellants respectfully traverse the rejections based on the prior art applied against the claims now pending and under appeal. As discussed below in detail, it is respectfully submitted that the Examiner has not met the burden of proof in establishing that the appealed claims are non-patentable. It is also respectfully submitted that the claimed invention is fully supported by the original disclosure and that what is claimed will be clear to those skilled in the art. It is further respectfully submitted that the rejection relies upon art that has been combined without any motivation to do so. It is additionally respectfully submitted that the final rejection lacks the requisite supporting factual basis and/or reasonable rationale. Further still, it is respectfully submitted that the art applied in rejecting the claims neither teaches nor suggests the claimed invention. It is also respectfully submitted that recited limitations have been ignored, that that which is disclosed in the present application has been ignored or misconstrued, that the relied upon art has been construed in a manner inconsistent with its own teaching, and that the rejection is at best based on an improper hindsight reconstruction of the claimed invention.

Claims 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 stand rejected under 35 USC §112, first paragraph, as failing to comply with the written description requirement. Claims 44 and 54 stand rejected under 35 USC §112, second paragraph, as indefinite. Claims 1, 4-5, 21, 25, 34-35, 39-40, 44-45, 49-50, 54 and 56 stand

rejected under 35 USC §103(a), as obvious over Lawlor et al. (U.S. Patent 5,220,501) in view of Benton et al. (U.S. Patent 5,265,008).

1. THE EXAMINER HAS FAILED TO ESTABLISH A PRIMA FACIE CASE

The initial burden of establishing a basis for denying patentability to a claimed invention rests upon the examiner. In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); In re Thorpe, 777 F.2d 695, 227 USPQ 964 (Fed. Cir. 1985); In re Piasecki, 745 F.2d 1468, 223 USPQ 785 (Fed. Cir. 1984).

The limitations required by the claims cannot be ignored. See In re Wilson, 424 F.2d 1382, 165 USPQ 494 (CCPA 1970). All claim limitation, including those which are functional, must be considered. See In re Oelrich, 666 F.2d 578, 212 USPQ 323 (CCPA 1981). Hence, all words in a claim must be considered in deciding the patentability of that claim against the prior art. Each word in a claim must be given its proper meaning, as construed by a person skilled in the art. Where required to determine the scope of a recited term, the disclosure may be used. See In re Barr, 444 F.2d 588, 170 USPQ 330 (CCPA 1971).

The Examiner must provide sufficient factual basis or rationale as to how features of the invention recited in the claims are taught or suggested in the applied art. Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988). That is, objective evidence must be presented by the Examiner in support of the rejection. Without such support, the rejection is improper per se.

It is respectfully submitted that the Examiner has failed to establish a prima facie case for the rejection. More particularly, the Examiner has failed to provide objective support or a reasonable rationale for the rejections, has ignored limitations recited in the claims, has ignored or misconstrued the disclosure of the present application, and has applied art in a manner inconsistent with its teachings.

Furthermore, as will be discussed further below, in the Official Action of May 23, 2003, the Examiner repeats previously asserted basis for the rejection of claims over the prior art, as set forth in the prior final Official Action, without providing a reasonable response to the detailed traversal arguments, submitted in the Appeal Brief filed on

March 7, 2003. These traversal arguments highlight those features and limitations which distinguish the present invention over the applied prior art, specifically identify positions taken by the Examiner which are contrary to the applied arts' own teachings, and make explicit requests for clarification of the Examiner's position. However, instead of providing a reasoned rebuttal to the traversal arguments, the response simply asserts the conclusion that the traversal arguments are "not persuasive" and that the rejection is "still believed to be proper". The Examiner does offer a reminder that Benton is "applied only to show evidence of the ubiquitously well-known nature of ACH and ATM methods of electronic funds transfer", but fails to provide any explanation as to the relevance of this acknowledged fact to the patentability of the present claims. That is, it is unclear how the ubiquitously well known nature of ACH and ATM transfers affect the patentability of the present claims, just as it would be unclear if claims directed to a transmission in which gears were utilized in a new and novel fashion were rejected on the basis that gears are ubiquitously well known.

The Written Description Requirement

According to independent claims 1, 21 and 25, the received payment instructions are processed to generate a plurality of debit directives. Each debit directive is for debiting a respective one of the amounts associated with the received payment instructions, from a respective one of a plurality of deposit accounts, each of which is associated with a respective one of the plurality of consumers, by an ACH transfer. The received payment instructions are also processed to generate a payment directive to pay the plurality of bills, on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a payment service provider.

A transfer of funds from each of the plurality of deposit accounts to a second account associated with the payment service provider is initiated based upon the plurality of debit directives. Furthermore, the single consolidated payment to the merchant is paid based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts associated with the plurality of consumers to the second account associated with the service provider.

As understood, the Examiner contends that the specification fails to disclose either:

(1) The making of a single consolidated payment to the merchant prior to completion of a transfer of funds from at least one of the plurality of deposit accounts associated with a respective one of the plurality of consumers to the second account associated with the payment service provider. That is, according to the Examiner the original disclosure does not reasonably convey that the inventors contemplated that the payment service provider could make a single consolidated payment to a merchant on behalf of multiple consumers from a first service provider account, prior to completion of the transfer of funds from a deposit account of one of those consumers to a second service provider account.

OR

(2) A consolidated payment where each debit directive is for debiting a respective one of the amounts associated with the received payment instructions, from a respective one of the plurality of deposit accounts associated with a respective one of the plurality of consumers, by an ACH transfer. That is, according to the Examiner the original disclosure does not reasonably convey that the inventors contemplated, in the case where a single consolidated payment is to be made to a merchant on behalf of multiple consumers from a service provider account, that the payment service provider could direct the ACH debiting of respective amounts included in the consolidated payment (e.g. the amounts included in the consolidated payment to the merchant which reflect the payments being made on behalf of the multiple consumers) from the respective deposit accounts of those consumers.

Although the Official Action of May, 23, 2003 states that "The Examiner has scrutinized the specification and the original claims and has not found support for these limitations", the sole rationale provided for the above rejection is that "Page 12 of the specification describes that a consolidated check may be written but not the details of the consolidated payment method and system that appear in the independent claims."

It is respectfully submitted that this asserted rationale fails, on its face, to provide objective evidence supporting the rejection, and accordingly the rejection is improper

per se. Furthermore, the Examiner has, by his own admission, limited consideration to only the disclosure on page 12 in this regard, and thus has not considered the application's full disclosure.

Additionally, the written description requirement, under 35 USC §112, first paragraph, does not require that "details" of the consolidated payment method and system claimed in the independent claims be "written" in the application. Rather, the inquiry to be made pertains to whether the disclosure as originally filed reasonably conveys to the journeyman practitioner in the art that the inventor had possession at the time of that which is now claimed (See *In re Wertheim*, 191 USPQ 90, CCPA 1976). The claims need not be supported *in haec verba* (See *In re Smith*, 178 USPQ 620, CCPA 1973). The failure to specifically mention a limitation that later appears in the claims is not a fatal one when one skilled in the art would recognize upon reading the specification that the new language reflects what the specification shows has been invented (See *Eiselstein v. Frank*, 34 USPQ2d at 1467, 1470, Fed. Cir. 1995, and generally *All Dental Prodx, LLC and DMG Dental-Material Gesellschaft MBH v. Advantage Dental Products, Inc*, 64 USPQ2d 1945, Fed. Cir. 2002).

Furthermore, what is explicitly disclosed in the specification, on page 12, lines 2-5 is that "A consolidated check may be written if many customers have asked the service provider to pay the same merchant. Under this method of payment the service provider assumes some risk since the service provider writes the check on its own account" [the first account associated with the service provider]. "The service provider is later reimbursed by the (consumer's) banking institution" [the single consolidated payment to the merchant is paid based upon the payment directive prior to completion of a transfer of funds from a deposit account associated with one of the plurality of consumers]. (emphasis added)

As described on page 14, lines 9-11, "the service provider uses ACH to electronically transfer funds from the consumer's account to the service provider's clearing account" [the service provider directs an ACH transfer from a deposit account associated with each consumer, on whose behalf a payment is being made, to the second account associated with the service provider].

In the case of a consolidated payment being made by the service provider on behalf of a plurality of consumers and in order to be reimbursed, the service provider must inherently, and necessarily, generate multiple debit directives, each one for debiting a respective one of the amounts aggregated in the consolidated payment from a respective one of a plurality of deposit accounts associated with a respective one of the plurality of consumers. As described, preferably this debiting is accomplished by an ACH transfer.

Furthermore, the same risk could of course be assumed for one or more of the plurality of consumers on whose behalf the consolidated payment is being made.

*No
in relevance*
Accordingly, it is inherent that the single consolidated payment to the merchant could be paid prior to completion of the transfer of funds to the service provider's clearing account from only the deposit account associated with one of the plurality of consumers, or could be paid prior to completion of a transfer of funds to the service provider's clearing account from each of multiple deposit accounts associated with a number of the plurality of consumers.

Therefore, it is respectfully submitted that the claim recitals requiring:

(1) the payment service provider to make a single consolidated payment to a merchant on behalf of multiple consumers from a first service provider account, prior to completion of the transfer of funds from a deposit account of one of those consumers to a second service provider account, and

(2) in the case where a single consolidated payment is to be made to a merchant on behalf of multiple consumers from a service provider account, the payment service provider to direct the ACH debiting of respective amounts included in the consolidated payment (e.g. the respective amounts included in the consolidated payment to the merchant which reflect the payments being made on behalf of the multiple consumers) from the respective deposit accounts associated with those consumers,

would be recognized by one skilled in the art, upon reading the specification, to reflect what the specification shows has been invented. Additionally, the disclosure as originally filed reasonably undoubtedly conveys that the inventors had possession of that which is now claim at the time of filing the grandparent application, on which the present application claims priority.

Hence, although it is asserted that “[t]he Examiner has scrutinized the specification and the original claims and has not found support for these limitations”, in view of the totality of what is disclosed in the present application, it would appear that relevant teachings of present application disclosure have indeed been ignored, or at best misconstrued, in rejecting the claims as failing to comply with the written description requirement under 35 USC §112, first paragraph.

Indefiniteness

Claim 44, which depends from claim 21, and claim 54, which depends from claim 25, stand rejected under 35 USC §112, second paragraph, as indefinite.

The Examiner states “In claims 44 and 54 it is unclear how the first the second accounts entities can be the same deposit account entity? (Note that claims 44 and 54 depend from claims 21 and 25 respectively, in which both first and second accounts have been specifically claimed).”

Claims 21 and 25 require the processing of payment instructions (i) to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider, and (ii) to initiate a transfer of ACH debited funds from each of the plurality of deposit accounts [associated with consumers] to a second account associated with the service provider. That is, the claim requires that the amount debited from a consumer's account via the ACH network, be deposited in the second account of the payment service provider and that the payment to the payee (e.g. a merchant) be made by the service provided from the first account of the service provider. Thus, under claims 21 and 25, the first and the second accounts may be the same account or different accounts.

Claims 44 and 54 require that the first and second accounts be the same account. Therefore, claims 44 and 54 merely add a further limitation to the first and second accounts of claims 21 and 25, i.e. limit the first and second accounts to a single account. Stated another way, claims 44 and 54 simply recite that the debited amounts from a consumer's deposit accounts are deposited in the same payment service provider account that the payment service provider uses to make the consolidated payment to the payee (e.g. a merchant).

The Examiner specifically acknowledges that claims 44 and 54 depend from claims 21 and 25 respectively, and that both first and second accounts have been specifically recited in these claims. Hence, on their face, claims 44 and 54 particularly point out and distinctly claim the exact subject matter which the applicants' regard as their invention, i.e. that the first and second accounts of the service provider may be one-in-the-same service provider account.

Although the Examiner asserts that it is unclear how the first the second accounts entities can be the same deposit account entity, no explanation of why the Examiner considers this unclear is provided. Thus, one is only left to wonder in what way this is unclear, and the rejection, therefore, cannot be understood.

Obviousness

As will be detailed further below, the primary Lawlor reference teaches away from the modifications proposed by the Examiner. Hence, modification of Lawlor, as proposed by the Examiner, is inconsistent with Lawlor's own teachings, and would result in Lawlor being incapable of meeting its express objective.

Each of independent claims 1, 21 and 25 positively recite generating a debit directive to debit a deposit account via an ACH transfer.

The Examiner acknowledges that Lawlor does not disclose debiting via an ACH transfer. The Examiner relies on Benton as disclosing such debiting, stating, "Benton et al. is being applied only to show evidence of the ubiquitously well-known nature of ACH and ATM methods of electronic funds transfer." The Examiner then proposes to modify Lawlor by substituting ACH debiting for Lawlor's disclosed ATM debiting, though the

Examiner has provided no rationale whatsoever as to how such a modification could be accomplished.

In Benton, as described in column 5, lines 16-25, electronic funds transfers are effectuated utilizing facsimile machines. A payer faxes a payment request to a processor at a central location. The processor processes the facsimile transmission to encode the payment request into the proper protocol for processing by the ACH network. The central computer then transmits the payment request on the ACH network.

It is not understood how such a system could be combined with Lawlor or how the teachings of Benton could be utilized to modify Lawlor. Furthermore, even if Lawlor and Benton could be combined (which is not admitted, as will be discussed below), the proposed modification of Lawlor to perform ACH rather than ATM debiting of the payer's deposit account (based on Benton or otherwise) would be inconsistent with Lawlor's own teachings, and result in a system which is incapable of meeting Lawlor's stated objectives.

Lawlor discloses that a practical architecture for providing comprehensive banking services, including paying bills to user selected payees, from one's home or office over standard telephone lines has yet to be proposed (see column 6, lines 31-36). According to the express teachings of Lawlor, home banking systems using PC's operating special purpose software (i.e. outside of the ATM or ATM/POS network) have been unsuccessful for various reasons (see column 1, line 20, through column 2, line 68). Thus, Lawlor is directed to capitalizing on the widespread familiarity with ATM and ATM/POS networks and avoiding training etc. which Lawlor viewed as otherwise necessary if ATM or ATM/POS networks were not utilized (see column 6, lines 45-55). An explicit objective of Lawlor is to provide bill paying services using the ATM and ATM/POS networks (see column 5, lines 8-19).

Lawlor proposes to meet this objective by disclosing a new use of the existing ATM and ATM/POS networks to provide transactions not previously supported by such networks, e.g. home initiated bill payment transactions and particularly the debiting of the payer's account in connection therewith (see column 7, lines 37-48). Hence, Lawlor

expressly teaches against the use of the ACH network for debiting a payer's account to effectuate electronic bill payment.

Rather, Lawlor mandates that only ATM and ATM/POS networks (i.e. ATM transfers) be used to perform payer debiting associated with electronic bill payments. Such networks, as is well known in the art, only debit funds in an account maintained by a financial institute subscribing to the ATM or ATM/POS network. Accordingly, Lawlor discloses a system that is only usable by a consumer having an account at a financial institution subscribing to the ATM or ATM/POS network.

Lawlor was clearly aware of the ACH network, which Lawlor utilizes in transferring payments to a payee's account. However, Lawlor does not in any way suggest that ACH transfer could be used to debit the payer's account in connection with electronic payments. Rather, Lawlor asserts that debiting a payer's account via an existing ATM or ATM/POS network is necessary to have a practical architecture for effectuating electronic payments. This is a principle of operation of the Lawlor system. Thus, debiting a payer's account via the ACH network would necessarily require a change in this principle of the operation of the Lawlor system.

Further still, Lawlor goes to great lengths to explain why prior art bill payment systems, not utilizing existing ATM or ATM/POS networks, were unsuccessful (see column 1, line 20, through column 2, line 68, and column 6, lines 31-36). Thus, Lawlor, as well as those familiar with his teachings, would view such a change in operation as having no reasonable expectation of success.

Hence, Lawlor teaches against the use of ACH debiting of the payer's account. Furthermore, Lawlor apparently failed to even comprehend the advantages of utilizing ACH transfers instead of ATM or ATM/POS transfers to debit a payer's account, not the least of these advantages being the practical ability to make payments from anyone to anyone.

Additionally, independent claims 5, 21 and 25 require that the single consolidated payment be made to the merchant before completion of the transfer of funds from at least one consumer's deposit account.

The Examiner acknowledges that consolidated payment in Lawlor is made only after funds have been obtained from each of the deposit accounts of the consumers requesting payment to the merchant. The Examiner states, "Lawlor teaches that the customer's bills are paid to a service provider's account and that the service provider then pays the merchant" (page 4, lines 3-4, of Official Action dated August 8, 2001). In view of the Examiner's admission, it can only be concluded that the this limitation of independent claims 1, 21, and 25 has been effectively ignored.

Claims 35, 45 and 56 require that the instructions be generated by a general purpose network device.

As best understood, the Examiner points to the abstract, Figure 12, and Figures 14A-14D of Lawlor as disclosing such requirement.

However, contrary to the Examiner's contention, Lawlor goes to great lengths to explain why a general purpose network device is ineffective in functioning as a bill payment device. (See column 1, line 20, through column 3, line 61.) Furthermore, a substantial portion of the Lawlor patent is directed to describing the hardware and configuration of a specialized network device provided by Lawlor through which an instruction from a payer is transmitted. (See, for instance, column 6, lines 45-60, column 7, lines 5-11, and column 23, line 57, through column 29, line 48.) Lawlor's specialized device is intended to mimic an ATM machine and can only be utilized in delivering information to, and receiving information from, Lawlor's financial services distribution system. Hence, the Examiner's asserted construction of Lawlor is contrary to Lawlor's own teachings.

2. THE CLAIMS COMPLY WITH THE WRITTEN DESCRIPTION REQUIREMENT

As discussed above, the written description requirement, under 35 USC §112, first paragraph, requires that the disclosure, as originally filed, reasonably convey to the journeyman practitioner in the art that the inventor had possession of the that which is now claimed, at the time of filing (See *In re Wertheim*, 191 USPQ 90, CCPA 1976). The claims need not be supported *in haec verba* (See *In re Smith*, 178 USPQ 620, CCPA 1973). Even the failure to specifically mention a limitation that later appears in

the claims is not a fatal one when one skilled in the art would recognize, upon reading the specification, that the new language reflects what the specification shows has been invented (See Eiselstein v. Frank, 34 USPQ2d at 1467, 1470, Fed. Cir. 1995, and generally All Dental Prodx, LLC and DMG Dental-Material Gesellschaft MBH v. Advantage Dental Products, Inc, 64 USPQ2d 1945, Fed. Cir. 2002).

According to independent claims 1, 21 and 25, in the case of consolidated payment being made on behalf of a plurality of consumers to the same merchant, the received payment instructions are processed to generate a plurality of debit directives. Each debit directive is for debiting, by an ACH transfer, a respective one of the amounts associated with the received payment instructions from a respective one of a plurality of deposit accounts, each of which is associated with a respective one of the plurality of consumers.

The Examiner states that "there is no disclosure ... for a consolidated payment limitations of claims 1, 21 and 25 which describe in a consolidated payment method or system, each debit directive for debiting a respective one of the associated amounts from a respective one of the plurality of deposit accounts, each respective deposit account associated with a respective one of the plurality of consumers, by an ACH transfer" (emphasis in original). The only support offered for this conclusion is that "Page 12 of the specification describes that a consolidated check may be written but not the details of the consolidated payment method and system that appear in the independent claims."

However, contrary to the asserted conclusion, the specification, on page 12, lines 2-5, explicitly discloses that "[a] consolidated check may be written if many customers have asked the service provider to pay the same merchant. As described on page 14, lines 9-11, to transfer funds from each consumer's account to the service provider, "the service provider uses ACH to electronically transfer funds from the consumer's account to the service provider's clearing account" in order for the service provider to be reimbursed. Thus, in the case of a consolidated payment being made by the service provider on behalf of a plurality of consumers, the service provider must generate multiple debit directives, each one for debiting (preferably via an ACH transfer) a respective one of the amounts aggregated within the consolidated payment from a

respective one of a plurality of deposit accounts associated with a respective one of the plurality of consumers.

Additionally, according to independent claims 1, 21 and 25, the received payment instructions are also processed to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider. A transfer of funds from each of the plurality of consumer deposit accounts to a second account associated with the service_provider is initiated based upon the plurality of debit directives. Furthermore, the single consolidated payment to the merchant is paid based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts associated with the plurality of consumers to the second account associated with the service provider.

The Examiner asserts that “[t]he limitations in independent claims 1, 21 and 25, which describe paying the single consolidated payment to the merchant based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts to the second account is not disclosed in the specification or the originally filed claims of this application”. Here again, the only support offered for this conclusion is that “Page 12 of the specification describes that a consolidated check may be written but not the details of the consolidated payment method and system that appear in the independent claims.”

However, contrary to this asserted conclusion, the specification, on page 12, lines 2-5, explicitly discloses that “[a] consolidated check may be written if many customers have asked the service provider to pay the same merchant. Under this method of payment the service provider assumes some risk since the service provider writes the check on its own account. The service provider is later reimbursed by the (consumer's) banking institution.” As further described on page 14, lines 9-11, “the service provider uses ACH to electronically transfer funds from the consumer's account”. Thus, in the case of a consolidated payment being made by the service provider on behalf of a plurality of consumers, the service provider may assume some risk with respect to one or more consumers. If so, the single consolidated payment to the merchant (e.g. a

consolidated check) may be paid based upon the payment directive prior to completion of an ACH transfer of funds from the deposit account(s) associated with one or more than one of the consumers to the service provider's clearing account.

Therefore, it is respectfully submitted that one skilled in the art would recognize, upon reading the specification, that the claim recitals requiring (1) the payment service provider to make a single consolidated payment to a merchant on behalf of multiple consumers from a first service provider account, prior to completion of the transfer of funds from a deposit account(s) of one or more of those consumers to a second service provider account, and (2) in the case where a single consolidated payment is to be made to a merchant on behalf of multiple consumers from a service provider account, the payment service provider to direct the ACH debiting of respective amounts included in the consolidated payment (e.g. the respective amounts included in the consolidated payment to the merchant which reflects the payments being made on behalf of the multiple consumers) from the respective deposit accounts associated with those consumers, reflect what the specification shows has been invented. Additionally, the disclosure as originally filed reasonably conveys that the inventors had possession of that which is now claimed, at the time of the original filing of the grandparent application, on which the present application claims priority.

3. THE CLAIMS ARE DEFINITE

The definiteness requirement, under 35 USC §112, second paragraph, requires that one skilled in the art be able to understand what is claimed when the claim is read in light of the specification (See *Seattle Box Co. v Industrial Crating & Packing*, 221 USPQ 568, Fed. Cir. 1984)

Claim 44, which depends from claim 21, and claim 54, which depends from claim 25, stand rejected under 35 USC §112, second paragraph, as indefinite.

The Examiner asserts that "In claims 44 and 54 it is unclear how the first the second accounts entities can be the same deposit account entity? (Note that claims 44 and 54 depend from claims 21 and 25 respectively, in which both first and second accounts have been specifically claimed)."

Claims 21 and 25 require the processing of payment instructions (i) to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider, and (ii) to initiate a transfer of ACH debited funds from each of the plurality of deposit accounts [associated with consumers] to a second account associated with the service provider. That is, the claim requires that the amount debited from a consumer's account via an ACH transfer, be deposited in the second account of the payment service provider and that the payment to the payee (e.g. a merchant) be made by the service provider from the first account of the service provider. Thus, under claims 21 and 25, the first and the second accounts may be the same account or separate accounts.

Claims 44 and 54 require that the first and second accounts be the same account. Therefore, claims 44 and 54 merely add a further limitation to the first and second accounts of claims 21 and 25, i.e. limit the first and second accounts to a single account. Stated another way, claims 44 and 54 simply recite that the debited amounts from a consumer's account are deposited in the same account that the payment service provider uses to make the payment to the payee (e.g. a merchant).

The Examiner specifically acknowledges that claims 44 and 54 depend from claims 21 and 25 respectively, and that both the first and second accounts have been specifically recited in these claims. Hence, on their face, claims 44 and 54 particularly point out and distinctly claim the exact subject matter which the applicants' regard as their invention, i.e. that the first and second accounts of the service provider may be one-in-the-same service provider account.

Furthermore, the present specification, on page 12, lines 2-5, explicitly discloses that "[a] consolidated check may be written if many customers have asked the service provider to pay the same merchant. Under this method of payment the service provider assumes some risk since the service provider writes the check on its own account. The service provider is later reimbursed by the (consumer's) banking institution." As described on page 14, lines 9-11, in order for the service provider to be reimbursed, "the service provider uses ACH to electronically transfer funds from the consumer's

account to the service provider's clearing account". Thus, as disclosed, the service provider preferably makes the consolidated payment to the merchant from the service provider's payment or first account, and receives the reimbursements transferred from the consumers' deposit accounts at the service provider's clearing or second account. Inherently the functions performed by these accounts could be combined in a single account, and one skilled in the art would clearly understand what is claimed when the claim is read in light of the specification.

4. THERE IS NO MOTIVATION TO COMBINE THE ART AS PROPOSED BY THE EXAMINER

It is incumbent upon the Examiner to provide a basis in fact and/or cogent technical reasoning to support the conclusion that one having ordinary skill in the art would have been motivated to combine references to arrive at a claimed invention. Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988). In so doing, the Examiner is required to make the factual determinations set forth in Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 148 USPQ 459 (1966), and to provide a reason why one having ordinary skill in the art would have been led to modify the prior art reference to arrive at the claimed invention. Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 227 USPQ 657 (Fed. Cir. 1985). Such a reason must stem from some teaching, suggestion or inference in the prior art as a whole or knowledge generally available to one having ordinary skill in the art. Uniroyal, Inc. v. Rudkin-Wiley, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988); Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 227 USPQ 657 (Fed. Cir. 1985); ACS Hospital Systems, Inc. v. Montefiore Hospital, 732 F.2d 1572, 221 USPQ 929 (Fed. Cir. 1984); In re Sernaker, 702 F.2d 989, 217 USPQ 1 (Fed. Cir. 1983).

As discussed above, Lawlor is directed to capitalizing on the widespread familiarity with ATM and ATM/POS networks and avoiding training etc. which Lawlor viewed as otherwise necessary if ATM or ATM/POS networks were not utilized (see column 6, lines 45-55). An explicit objective of Lawlor is to provide bill paying services using the ATM and ATM/POS networks (see column 5, lines 8-19).

Lawlor proposes to meet this objective by disclosing a new use of the existing ATM and ATM/POS networks to provide transactions not previously supported by such networks, e.g. home initiated bill payment transactions, and particularly the debiting of the payer's account via an ATM transfer in connection therewith (see column 7, lines 37-48). Hence, Lawlor expressly teaches against the use of the ACH network for debiting a payer's account to effectuate electronic bill payment. The Examiner has not identified any disclosure within Benton, to contradict the views expressed by Lawlor.

Additionally, the Examiner proposes to modify Lawlor by substituting Benton's ACH debiting for Lawlor's disclosed ATM debiting. However, the Examiner has provided no rationale whatsoever as to how such a modification could be accomplished.

As noted above, a substantial portion of the Lawlor patent is directed to describing the hardware and configuration of a specialized network device provided by Lawlor through which an instruction from a payer is transmitted. (See, for instance, column 6, lines 45-60, column 7, lines 5-11, and column 23, line 57, through column 29, line 48.) Lawlor's specialized device is intended to mimic an ATM machine and can only be utilized in delivering information to, and receiving information from, Lawlor's financial services distribution system. Neither Lawlor or Benton suggest that one could modify the hardware and configuration of the specialized network device described by Lawlor. Thus, it is entirely unclear what would motivate one skilled in the art to even attempt to modify Lawlor based on the teachings of Benton.

Accordingly, it is respectfully submitted that there is no motivation for one of ordinary skill in the art to combine, as the Examiner proposes, in the rejection of claims of the present application.

5. THE APPLIED REFERENCES FAIL TO SUGGEST THE CLAIMED INVENTION

In rejecting claims under 35 U.S.C. 103, it is incumbent upon the Examiner to establish a factual basis to support the legal conclusion of obviousness. Stratoflex, Inc. v. Aeroquip Corp., 713 F.2d 1530, 218 USPQ 871 (Fed. Cir. 1983); In re Warner, 379 F.2d 1011, 154 USPQ 173 (CCPA 1967). It also is incumbent upon the Examiner to provide a basis in fact and/or cogent technical reasoning to support the conclusion that one having

ordinary skill in the art would have been motivated to combine references to arrive at a claimed invention. Uniroyal, Inc. v. Rudkin-Wiley Corp., 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988). In so doing, the Examiner is required to make the factual determinations set forth in Graham v. John Deere Co. of Kansas City, 383 U.S. 1, 148 USPQ 459 (1966), and to provide a reason why one having ordinary skill in the art would have been led to modify the prior art reference to arrive at the claimed invention. Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 227 USPQ 657 (Fed. Cir. 1985). Such a reason must stem from some teaching, suggestion or inference in the prior art as a whole or knowledge generally available to one having ordinary skill in the art. Uniroyal, Inc. v. Rudkin-Wiley, 837 F.2d 1044, 5 USPQ2d 1434 (Fed. Cir. 1988); Ashland Oil, Inc. v. Delta Resins & Refractories, Inc., 776 F.2d 281, 227 USPQ 657 (Fed. Cir. 1985); ACS Hospital Systems, Inc. v. Montefiore Hospital, 732 F.2d 1572, 221 USPQ 929 (Fed. Cir. 1984); In re Sernaker, 702 F.2d 989, 217 USPQ 1 (Fed. Cir. 1983). Inherency requires certainty, not speculation. In re Rijckaert, 9 F.3rd 1531, 28 USPQ2d 1955 (Fed. Cir. 1993); In re King, 801 F.2d 1324, 231 USPQ 136 (Fed. Cir. 1986); W. L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983); In re Oelrich, 666 F.2d 578, 212 USPQ 323 (CCPA 1981); In re Wilding, 535 F.2d 631, 190 USPQ 59 (CCPA 1976). Objective evidence must be relied upon to defeat the patentability of the claimed invention. Ex parte Natale, 11 USPQ2d 1222 (BPAI 1988).

In determining obviousness, the inquiry is not whether each element existed in the prior art, but whether the prior art made obvious the invention as a whole for which patentability is claimed. Hartness Int'l, Inc. v. Simplimatic Eng'g Co., 819 F.2d 1100, 2 USPQ2d 1826 (Fed. Cir. 1987). It is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art. In re Wesslau, 353 F.2d 238, 147 USPQ 391 (CCPA 1951). Piecemeal reconstruction of prior art patents is improper, In re Kamm, 452 F.2d 1052, 172 USPQ 298 (CCPA 1972). The Examiner must give adequate consideration to the particular problems and solution addressed by the claimed invention. Northern Telecom, Inc. v. Datapoint Corp., 908 F.2d 931, 15 USPQ2d 1321 (Fed. Cir. 1990); In re

Rothermel, 276 F.2d 393, 125 USPQ 328 (CCPA 1960).

The fact that the prior art could be modified so as to result in the combination defined by the claims does not make the modification obvious unless the prior art suggests the desirability of the modification. In re Deminski, 796 F.2d 436, 230 USPQ 313 (Fed. Cir. 1986). The test is what the combined teachings would have suggested to those of ordinary skill in the art. In re Keller, 642 F.2d 413, 208 USPQ 817 (CCPA 1981). Simplicity and hindsight are not proper criteria for resolving obviousness, In re Warner, supra. The proper approach to the issue of obviousness is whether the hypothetical person of ordinary skill in the art, familiar with the references, would have found it obvious to make a structure corresponding to what is claimed. In re Keller, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); In re Sernaker, 702 F.2d 989, 217 USPQ 1 (Fed. Cir. 1983). Hindsight obviousness after the invention has been made is not the test. In re Carroll, 601 F2d 1184, 202 USPQ 571 (CCPA 1979). The reference, viewed by itself and not in retrospect, must suggest doing what applicant has done. In re Shaffer, 229 F2d 476, 108 USPQ 326 (CCPA 1956); In re Skoll, 523 F2d 1392, 187 USPQ 481 (CCPA 1975).

Again, the issue is not whether it is within the skill of the artisan to make the proposed modification but, rather, whether a person of ordinary skill in the art, upon consideration of the references, would have found it obvious to do so. The fact that the prior art could be modified so as to result in the combination defined by the claims would not have made the modification obvious unless the prior art suggests the desirability of the modification. See In re Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984), In re Deminski, 796 F.2d 436, 230 USPQ 313 (Fed. Cir. 1986), In re Keller, supra. See In re Laskowski, F2d., 10 USPQ2d 1397 (CAFC 1989).

As discussed above, the applied art combination lacks the ACH debiting of the consumer account of independent claims 1, 21 and 25. Additionally, independent claims 5, 21 and 25 require that the single consolidated payment be made to the merchant before funds are obtained from at least one of the consumers and, as noted above, the Examiner has acknowledged that Lawlor, and hence the applied combination, lacks this feature. Furthermore, the applied art, as detailed above, also lacks the general purpose network device of dependent claims 35, 45 and 56.

6. THE REJECTION IS BASED ON EITHER AN IMPROPER HINDSIGHT RECONSTRUCTION OF THE INVENTION BASED ON THE APPLICATIONS OWN TEACHINGS OR ON PURE SPECULATION

Hindsight obviousness after the invention has been made is not the test. In re Carroll, 601 F2d 1184, 202 USPQ 571 (CCPA 1979). The reference, viewed by itself and not in retrospect, must suggest doing what applicant has done. In re Shaffer, 229 F2d 476, 108 USPQ 326 (CCPA 1956); In re Skoll, 523 F2d 1392, 187 USPQ 481 (CCPA 1975).

Inherency requires certainty, not speculation. In re Rijckaert, 9 F.3rd 1531, 28 USPQ2d 1955 (Fed. Cir. 1993); In re King, 801 F.2d 1324, 231 USPQ 136 (Fed. Cir. 1986); W. L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 220 USPQ 303 (Fed. Cir. 1983); In re Oelrich, 666 F.2d 578, 212 USPQ 323 (CCPA 1981); In re Wilding, 535 F.2d 631, 190 USPQ 59 (CCPA 1976). Objective evidence must be relied upon to defeat the patentability of the claimed invention. Ex parte Natale, 11 USPQ2d 1222 (BPAI 1988).

As discussed in detail above, the appealed claims have been rejected without objective factual support or rational. The prior art cited in support of the rejections has been applied in a manner inconsistent with its own teachings. A combination has been asserted for which no motivation exist. Express limitations and features set forth in the claims and disclosed in the specification have been completely or effectively ignored. The Examiner's position that the present claims are unsupported by the written description, indefinite, and obvious over the applied prior art is unsupported by the evidence. Hence, at best, it can only be concluded that the rejection of the claims, as set out in the Official Action of May 23, 2003, reflects either an improper hindsight reconstruction of the invention based on the teachings of the subject application itself or pure speculation on the part of the Examiner.

CONCLUSION

It is respectfully submitted that the Examiner (i) has failed to establish a *prima facie* case for the rejection, (ii) has ignored or misconstrued that which is disclosed and claimed in the present application, (iii) has proposed to combine art in a manner which is

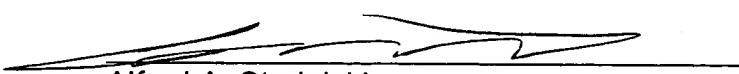
unmotivated, (iv) has failed to apply art which teaches or suggests the claimed invention, and (v) has, at best, attempted to improper reconstruct the invention using the inventors own disclosure or relied on pure speculation in rejecting the claims. Thus, the rejection of the pending claims as failing to comply with the written description requirement under 35 USC §112, first paragraph, as indefinite under 35 USC §112, second paragraph, and as obvious under 35 U.S.C. §103(a) over the applied prior art, whether taken individually or in any combination, is improper.

In summary, Applicants respectfully submit that claims are fully compliant with the mandates of 35 USC §112, first and second paragraphs, and that the applied references do not teach or suggest features recited in each of the rejected independent claims, as well as those recited in a number of the dependent claims. Furthermore, the proposed combinations of the applied references are themselves unmotivated and therefore improper. It is submitted that the art does not provide any teaching, or suggestion within its teachings, which would lead to the features or advantages of the instant invention, and the claims patentably define over the art. Thus, the rejection of the pending claims under 35 USC §112 and §103(a) is in error, and reversal is clearly in order and is courteously solicited.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 01-2135 and please credit any excess fees to such deposit account.

Respectfully Submitted,

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APPENDIX OF CLAIMS UNDER APPEAL

1. (Four Times Amended) A computerized method of directing payment of bills, comprising:

receiving, via a network, a plurality of instructions, each having an associated amount, to pay a plurality of bills of a merchant on behalf of a plurality of consumers;

processing the received plurality of instructions to generate a plurality of debit directives, each debit directive for debiting a respective one of the associated amounts from a respective one of a plurality of deposit accounts, each respective deposit account associated with a respective one of the plurality of consumers, an ACH transfer;

processing the received plurality of instructions to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider;

initiating a transfer of funds from each of the plurality of deposit accounts to a second account associated with the service provider based upon the plurality of debit directives; and

paying the single consolidated payment to the merchant based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts to the second account.

4. (Twice Amended) The computerized method of claim 1, wherein the single consolidated payment from the first account is paid by a check drawn on the first account.

5. (Twice Amended) The computerized method of claim 1, wherein the single consolidated payment from the first account is paid by an electronic funds transfer from the first account.

21. (Four Times Amended) An article of manufacture for directing payment of bills, comprising:

 a computer readable medium; and

 computer programming stored on the computer readable medium;

 wherein the stored computer programming is configured to be readable from the computer readable medium by a computer to thereby cause the computer to operate so as to:

 receive, via a network, a plurality of instructions, each having an associated amount, to pay a plurality of bills of a merchant on behalf of a plurality of consumers;

 process the received plurality of instructions to generate a plurality of debit directives, each debit directive for debiting a respective one of the associated amounts from a respective one of a plurality of deposit accounts, each respective deposit account associated with a respective one of the plurality of consumers, by an ACH transfer;

 process the received plurality of instructions to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider;

 initiate a transfer of funds from each of the plurality of deposit accounts to a second account associated with the service provider based upon the plurality of debit directives; and

 pay the single consolidated payment to the merchant based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts to the second account.

25. (Four Times Amended) A system for directing payment of bills, comprising:

 a first processor configured to receive, via a network, a plurality of instructions, each having an associated payment amount, to pay a plurality of bills of a merchant on behalf of a plurality of consumers; and

 a second processor configured to (i) process the received plurality of instructions to generate a plurality of debit directives, each debit directive for debiting a respective one of

the associated amounts from a respective one of a plurality of deposit accounts, each respective deposit account associated with a respective one of the plurality of consumers, by an ACH transfer, (ii) process the received plurality of instructions to generate a payment directive to pay the plurality of bills on behalf of the plurality of consumers by a single consolidated payment from a first account associated with a service provider, (iii) initiate a transfer of funds from each of the plurality of deposit accounts to a second account associated with the service provider based upon the plurality of debit directives, and (iv) pay the single consolidated payment to the merchant based upon the payment directive prior to completion of a transfer of funds from at least one of the plurality of deposit accounts to the second account.

34. (Amended) The computerized method of claim 1, wherein the first and the second deposit accounts are the same deposit account.

35. (Amended) The method of claim 1, wherein the instructions are generated by general purpose network devices operating as such.

39. (Amended) The article of manufacture according to claim 21, wherein the single consolidated payment from the first account is paid by a check drawn on the first account.

40. (Amended) The article of manufacture according to claim 1, wherein the single consolidated payment from the first account is paid by an electronic funds transfer from the first account.

44. (Amended) The article of manufacture according to claim 21, wherein the first and the second deposit accounts are the same deposit account.

45. (Amended) The article of manufacture according to claim 21, wherein the instructions are generated by general purpose network devices operating as such.

49. (Amended) The system according to claim 25, wherein the single consolidated payment from the first account is paid by a check drawn on the first account.

50. (Amended) The system according to claim 25, wherein the single consolidated payment from the first account is paid by an electronic funds transfer from the first account.

54. (Amended) The system according to claim 25, wherein the first and the second deposit accounts are the same deposit account.

56. (Amended) The system according to claim 25, further including:
a plurality of general purpose network devices;
wherein the instructions are generated by the general purpose network devices operating as such.